Chapter 7

Conclusion
7.1 SUMMARY OF EARLIER CHAPTERS

In the first chapter, a brief introduction about the project has been given. The motivation for taking up this particular research project was discussed. It was explained how the rapid technological changes and the impact of globalisation has changed the customer's expectation levels. The private and multi-national banks taking advantage of the present environment are capturing the consumers' mind by providing better services through re-engineered business processes; this gives sufficient reason for the nationalised banks to look into this aspect. The objectives of this particular research work were also spelt out here. It was also discussed here that the scope of the study was limited to IT application of BPR and does not include other aspects such as restructuring, re-skilling, etc.. Also the study was carried out in Nationalised Banks located in Kolkata and its suburbs. Ultimately, the social, economic and technological impact of the study was explained.

In the second chapter, a brief idea of Business Process Re-engineering (BPR) has been given. The difference between core business process and overall business process was explained. The role of information technology in BPR was explained. It was also explained that developing fast cycle capability and competitiveness of the system as well as development of boundaryless companies were the core objectives of BPR.

In the third chapter, we have discussed the idea of customer satisfaction and how BPR influences customer’s satisfaction. Satisfaction is a perceptual experience of the customer where he compares his expectation vis-à-vis perceived performance of the company. Different theories of satisfaction were also explained in brief as well as a model of satisfaction was also shown. The customer’s satisfaction process as well as its measurement was explained. Different tools of Customer’s Satisfaction Measurement (CSM) were also given. It was also explained why customer satisfaction can be taken as a goal and tool for an organisation. The Value Chain and the Customer Value Delivery System were explained along with a model for customer’s value maximisation process. Ultimately, the need for customer’s relationship management and an ideal customer development process were given.
In chapter four, the scenario of Indian Banking was discussed. A historical overview of the evolution of Commercial Banking in India starting from Bank of Hindustan established in 1770 till the present scenario was given in brief. The whole chapter can be divided into four main areas, one being the Indian banking system before Independence, the second is Post-Independence and before Nationalisation phase of Indian banks, third is the era of nationalised banking and the fourth area being the present scenario that is after the starting of liberalisation of the economy and coming back of Private Banking. The recommendations of several important committees’ like Sukhamoy Chakravarthi Committee, Vaghul Committee, Narasimham Committee and Basel Committee have been included. All these committees recommended strongly for the technological upgradation of the banking system along with all other changes and improvements with special emphasis on NPA management.

In chapter five, the research methodology was discussed in brief. Here, a survey of all the previous literature dealing with the work of this nature was given. Subsequently, the design of questionnaire was explained in details. There are two types of questionnaire, one for the Customers and one for the Provider, i.e., the bank people. The data collection method and the sampling process have also been explained. How the banks and branches were selected was explained with the help of a formula. Also in this chapter, we have described how the final list of branches, to be taken up for the purpose of study, was selected from the total list of the branches of selected banks both in Kolkata and its suburbs. Finally, in this chapter, we have described about the statistical tools and methods which will be used for the purpose of analysis.

In chapter six, we have given details of the research findings. This is subdivided into two broad sections. Section-I deals with the analysis of the providers’ mind, i.e., the public sector banks’ perception about their customers’ expectations and the services provided by the banks. The central tendencies of the results have been statistically calculated. Here only the "mean" value has been found out as there were no extreme values of the individual observations. This finding reflected that the providers perceived the need for BPR as a means for improvement of the level of customer satisfaction. They also strongly recommended IT application as an effective BPR tool. Afterwards, an adaptability study has been done which shows that the public sector banks intend to bring about changes in banking operation in order to provide better customer service.
In section-II, the customers' needs and expectations have been analysed. First, the central tendency was measured on customers' perception on various aspects of banking operation and their expectations. It was found that the level of customer satisfaction level improved with the implementation of different tools for Business Process Re-engineering. A comparative study between customers' perception vis a vis providers' assessment of customers' expectation has also been done and it was found that there is a close match between these two. It was enquired into the degree of association between the satisfaction scores of different questions, posed to the customers, with the help of correlation coefficients. The results show that there exists a strong correlation between Business Process Re-engineering and customer satisfaction. The results of the correlation analysis were also tested by parametric test (t-test) at 5% level of significance and found to be valid. Finally, rank correlation analysis was also done on customers' priority for different banking facilities, which produced positive results. From these statistical analyses, we could conclude that Business Process Re-engineering is a major driver of customer satisfaction, particularly for the banking industry.

7.2 SUGGESTIONS & RECOMMENDATIONS

From the study, we have found that re-engineering of the business process for the nationalised banks has affected the level of customer satisfaction in a strong and positive manner. Now-a-days customers are looking for convenience in banking and are not willing to devote much time for their banking operation. This leads to a new type of banking operation which is just opposed to branch banking. Hence, banking through ATM facilities, e-banking, etc. are going to occupy the centre stage. In the branch banking concept, the customer has to come to the bank, whereas in the new banking system the bank should move closer to the customers through their ATM network and electronic media. Most of the branch offices of the nationalised banks, having a huge asset and customer base, have been working in the old banking system.

The following suggestions and recommendations may be forwarded to the nationalised banks in order to take a leadership position under the present competitive banking environment:
The branches should be well-connected with the application of Information Technology & Telecommunication Systems, in order to generate a competitive advantage.

They should also make their branches fully-computerised and IT-enabled.

They should also develop a wide network of ATM facilities in order to provide convenient banking facility and develop seamless banking between the customer and the bank.

In order to implement the above, it will be necessary to re-skill the staff members of the banks. Re-skilling will be required not only in the technical aspects of banking operation but also for developing the soft skills such as effective communication, marketing, leadership etc. for better customer satisfaction.

Finally, the banking environment should be such that it becomes a pleasant and satisfactory experience. Hence, the motto of the nationalised banks should be “Banking is Fun, Banking is Convenient”.

7.3 LIMITATIONS OF THE STUDY

The implications of the study can be pointed out as follows:

- The study has a geographic limitation, i.e., it was carried out only in Kolkata and its suburbs. Here, it may be noted that the banking environment and the behaviour of the consumers can be different in other metros. Moreover, the banking scenario in the rural market and small towns has not been taken into consideration.

- For the purpose of the study the business process re-engineering was taken in a limited sense, i.e., through IT application, thereby, neglecting or overlooking the HR aspect of the re-engineering process.

- The single window concept of banking which is also taking place for the nationalised banks was also not considered. This single-window concept gives more power to the customers than the ATM facility where there is a limit on withdrawal.

7.4 SCOPE FOR FURTHER RESEARCH

Nevertheless, the above study leaves an immense scope for carrying out further research in the following areas:
Conclusive research can be carried out to establish more definite co-relation between business process re-engineering and customer satisfaction.

Study can be carried out in different geographic areas, i.e., in other metros and in the rural areas to find out whether there is any significant difference in the behaviour of the banking customers who are geographically separated. Comparative study among different geographic areas may be undertaken.

More detailed study can be carried out considering the overall re-engineering process – taking its various components into consideration.